# UNITED STATES DISTRICT COURT FOR THE DISTRICT OF PUERTO RICO

In re:

THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, et al.,

Debtors<sup>1</sup>

PROMESA TITLE III

Case No. 17-BK-3283

(LTS)

RE: ECF No. 21330, 21348

# URGENT CONSENSUAL MOTION FOR EXTENSION OF RESPONSE DEADLINES AND RESCHEDULING OF HEARING DATE

To the Honorable United States District Court Judge Laura Taylor Swain:

NOW COMES current and former employees of the Commonwealth of Puerto Rico and that are accumulated in the group litigation cases captioned, Francisco Beltran-Cintron, Plaintiff Group collectively (the Beltran-Cintron Plaintiff Group(4,593 Plaintiffs); CASP case no. 2021-05-0345], (originally CFI case no. K AC2009-0809)(Claim No. 179140); Abraham-Giménez, et al (1,046 Plaintiffs) collectively (the Abraham Giménez, Plaintiffs Group; CASP case No. 2021-05-0346 (Originally CFI case No. K AC 2013-1019; (Claim No. 179141); Prudencio Acevedo-Arocho, et al (sub group of Auditors and Tax specialists) CFI Case No. K AC 2005 - 5022,(claim No. 51013); Madeline Acevedo Camacho(2.819 Plaintiffs) (the Acevedo-Camacho Plaintiff group). CASP case No. 2016-

<sup>&</sup>lt;sup>1</sup> The Debtors in these Title III Cases, along with each Debtor's respective Title III case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

05-01340 (Originally CFI case No. K AC 2007-0214); and certain parties to the litigation captioned Carmen Socorro Cruz Hernandez et als v Family Department, ARV and AIJ, Case No. K AC 1991-0665, (the "Movant's"), by and through the undersigned attorney, respectfully submit this urgent consensual motion (the "Urgent Motion") for entry of an order, substantially in the form attached hereto as Exhibit A (the "Proposed Order"), extending the deadlines established in the Order Granting Urgent Motion for Extension of Response Deadlines and Rescheduling of Hearing Date [ECF No. 21348] (the "Extension Order"), and state as follows:

#### Background

- 1. On January 18, 2022, the Court entered the Order and Judgment Confirming Modified Eighth Amended Title III Joint Plan of Adjustment of the Commonwealth of Puerto Rico, the Employees Retirement System of the Government of the Commonwealth of Puerto Rico, and the Puerto Rico Public Buildings Authority [ECF No. 19813] (the "Confirmation Order"), confirming the Modified Eighth Amended Title III Joint Plan of Adjustment of the Commonwealth of Puerto Rico, et al., [ECF No 19784] (as amended, supplemented, or modified, the "Plan").3
- 2. On March 15, 2022, the Effective Date of the Plan occurred, and the Plan was substantially consummated [ECF No. 20349]. Pursuant to Section 1.51 and Article III of the Plan and decretal paragraph 44 of the Confirmation Order, the deadline for filing proofs of Administrative Expense Claims was June 13, 2022 (the "Administrative Claim Bar Date"). Id.

- 3. The following motions seeking, among other things, allowance and payment of Administrative Expense Claims were filed on or before the Administrative Claim Bar Date (collectively, the "Administrative Expense Motions"):
  - a). Application for Allowance and Payment of Administrative Expense Claims Filed by Group Wage Creditors in the Litigation Caption Madeline Acevedo Camacho v. the Family Department, ARV and AIJ of the Commonwealth of Puerto Rico (Docket Entry No. 21194).
  - b). Application for Allowance of Administrative Priority Claims and Requesting an Order for Immediate Payment filed by Judgment Claimants Case Carmen Socorro Cruz Hernandez et al. v the Family Department, ARV and AIJ of the Commonwealth of Puerto Rico (Docket Entry No. 21195),
  - c). Application for Allowance of Payment Post Petition Administrative Claims Pursuant to Section 503(b)(1)(A)(i) of the Bankruptcy Code filed by Group Wage Creditors in the Litigation Caption Francisco Beltran Cintron et al. v. the Family Department, ARV and AIJ of the Commonwealth of Puerto Rico and Reservation of Rights (Docket Entry No. 21224),
  - d). Application for Allowance of Administrative Expense Priority Payment Pursuant to Section 503(b)(1)(A)(i) of the Bankruptcy Code filed by Group Wage Creditors in the Litigation Caption Abraham Gimenez (1,046 Plaintiffs) v. the Department of Transportation and Public Works and Reservation of Rights (Docket Entry No. 21227).
  - e). Allowance of Payment of Post-Petition Administrative Expense Priority Claims, Filed by certain parties to the Litigation Caption Acevedo Arocho et al. v. Departamento Hacienda and Reservation of Rights (Docket Entry No. 21230) (collectively, the "Administrative Expense Motions");
  - 4. Pursuant to the Extension Order,
  - (i) the deadline for the Debtors to respond to the Administrative Expense Motions is July 28, 2022 at 4:00 p.m. (Atlantic Standard Time) (the "Objection Deadline");
  - (ii) the deadline for Movants to file a reply is August 4, 2022 at 4:00 p.m. (Atlantic Standard Time); and
  - (iii) the Administrative Expense Motions is scheduled to be heard in connection with the September 21, 2022 omnibus hearing. Id.

## **Request for Relief**

- 5. The Movants and Commonwealth attorney's since the filing of the Administrative Expense Motions continue to work collaboratively in order to gather, review, and assess information necessary to assess the Motions to Set Aside and discuss whether the parties may be able to reach a consensual resolution of the same. The Movants attorney has conferred with the Commonwealth's counsel, who consents to the requested extension in order to allow time for the parties to continue to discuss a potential consensual resolution of the Motions to Set Aside.
- 6. Accordingly, and with the consent of the Oversight Board, Movants proposes the following extensions for the briefing schedule and adjournment of the hearing in connection with the Scheduling Order for the extended response to Movants Administrative Expense Motions, filed in the title III case for the Commonwealth of Puerto Rico. docketed at ECF Nos. 21194, 21195; 21224; 21227; and 21230:
  - the Movant's Reply deadline be extended to September 2, 2022 at 4:00 p.m. (Atlantic Standard Time).
  - the hearing date for the Administrative Expense Motions be rescheduled for the November 2, 2022 omnibus hearing at 9:30 a.m. AST.

## **Certification of Compliance**

7. Pursuant to Paragraph 1.H of the Sixteenth Amended Notice, Case Management and Administrative Procedures [ECF No. 20190-1] (the "Case Management Procedures"), the subscribing attorney certifies that it has carefully examined the matter and concluded that there is a true need for an urgent motion; it has not created the urgency through any lack of due diligence; has made a bona fide effort to resolve the issues presented in the Urgent Motion; and has made reasonable, good-faith communications in an effort to resolve or narrow the issues that are being brought to the

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Court. Also, because of the complex and novel issues that governs administrative

expense claims submitted, and particular arguments presented by the Commonwealth,

requires additional time to complete the legal research with respect to diverging

interpretations. Also certify that has made a bona fide effort to resolve the matter without

a hearing; it has made reasonable, good faith communications with Oversight Board

attorney's in an effort to resolve or narrow the issues that are being brought to the Court,

and Oversight Board consents to the relief requested herein.

Notice

I HEREBY CERTIFY, that on this same date we have electronically filed the

foregoing motion with the Clerk of the Court using the CM/ECF System, which will send

notification of such filing to all CM/ECF participants in this case.

WHEREFORE the Movants request the Court enter the Proposed Order and grant

such other relief as is just and proper.

Dated: August 3, 2022

Respectfully submitted, San Juan, Puerto Rico

ATTORNEY FOR THE WAGE CREDITORS

By: Isl IVONNE GONZALEZ-MORALES **IVONNE GONZALEZ-MORALES** 

USDC NUM: 202701 PO BOX 9021828

SAN JUAN, PR 00902-1828

Tel. (787) 410-0119

E-mail: ivonnegm@prw.net

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Exhibit A
Proposed Order